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Venice - Rounding issue

Tara Devine <tara@devine-strategies.com>

Wed, Jan 27, 2016 at 12:29 PM

To: Miranda Paster <Miranda.Paster@lacity.org>, Rosemary Hinkson <Rosemary.Hinkson@lacity.org>

Please see below for Ed's explanation of the rounding issue.

It seems to revolve around different approaches to the same problem.

Ed has previously negotiated a solution with some staff, and would like to adhere to one method.

----- Forwarded message -----

From: "Edward Henning" <mred2@earthlink.net>
Date: Jan 27, 2016 12:24 PM
Subject: Re: Venice - update
To: "Tara Devine" <tara@devine-strategies.com>
Cc:

In response to Garen's recent request to honor hidden "cents" rather than rounding to whole dollars throughout a chart/table, I need to point out that it is a more involved process of changing all my numeric chart templates that I worked out with Eugene, Mario and Dennis in the past year or so for other BIDs. They wanted to make sure the numbers were close to real numbers throughout all charts and tables (i.e. no major math or logic errors) PLUS they wanted internal sums to read correctly whenever shown.

A quick and overly simplified example of why Garen's approach (while mathematically correct to a degree) would not work the same is as follows: We might show in a rounded whole number chart that $\$2 + \$2 = \$4$ whereas Garen is saying that the real internal numbers are $\$2.25 + \$2.26 = \$4.51$ which when rounded should be = \$5. His final rounded whole number chart would then read $\$2 + \$2 = \$5$ which is exactly what Eugene, Mario and Dennis were trying to avoid when we worked out our collective rounding algorithm that is intended to be close but more importantly to read correctly when printed out. The rounding needs to happen early and often in the logic of an interactive chart/table and the concept of accrued "cents" has to be ignored since we intentionally aren't showing "cents" in our charts/tables.

The whole matter is quite academic because as we all know, BIDs don't adhere to the future numbers we show in the MDP and ER at the inception of a BID term because they don't always increase rates by 5% each year plus they often move budget numbers around (up to 10%) between categories. We never faced this extended problem with "rounding" future years in the past because we never showed the level of detail that is now requested by LA regarding benefit zone allocations for future years plus special/general benefit dollar numbers for future years. In the past, we only showed Year 1 for these two items and then a simple chart showing 5 year budget numbers by categories which was simple and straight forward. No rounding or cumulative future rounding errors were involved. Now it's an issue and a consistent method of resolving it needs to be acknowledged and applied.

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